

CORPORATE PROMOTIONS AND REORGANIZATIONS

BY

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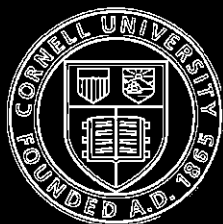
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TO MY FATHER
CHARLES H. DEWING
IN GRATITUDE

PREFACE

THE tendency toward combination in certain industries has attracted attention from three distinct groups of people. The student of economic history has seen in the movement a phenomenon as far reaching in its consequences as was the industrial revolution a century ago; the business man, from practical motives, has recognized in it a means for increased profits with lessened effort; the politician has interpreted it as an attack upon the inherited liberties of our people. Unfortunately, with but few exceptions, broad statements are made with insecure foundations in fact, though often in terms of impassioned oratory.

The following studies were prepared for the purpose of surveying in detail the stages in the life histories of a selected group of industrial combinations. The cases chosen have all passed through a somewhat complex cycle, in which promotion, failure, and reorganization followed each other. Such cases illustrate best all phases of corporate history in a comparatively brief space. The student should not infer, however, that all industrial combinations have been as unfortunate as those described here. On the contrary many combinations promoted as extravagantly as any of these have enjoyed uninterrupted prosperity.

I hold no brief for any particular public policy toward industrial combinations. I have sought to depict the facts as I have found them, without effort to shield persons or opinions, and without any ulterior motive. Nevertheless, I have been impressed throughout by the powerlessness of mere aggregates of capital to hold monopoly; I have been impressed, too, by the tremendous importance of individual, innate ability, or its lack, in determining the success or failure of any enterprise. With these observations in mind, one may hazard the belief that whatever "trust problem" exists will work out its own solution.

The doom of the inefficient waits on no legislative regulation. It is rather delayed thereby. Restrictive regulation will perpetuate the inefficient corporation, by furnishing an artificial prop to support natural weakness; it will hamper the efficient by impeding the free play of personal ambition.

In the preparation of this book I have been under deep obligation to the many business men who have given me ungrudgingly of their time and their interest. Without their help the studies would have been bare statistical skeletons without vitality. I am, too, much indebted to my past students, particularly certain industrious undergraduates at Harvard who have procured most valuable facts for me, and I wish to thank Professor William Z. Ripley of Harvard for inspiration in undertaking these studies, and the Corporation of Harvard College for appropriating money necessary to print them. I am above all indebted to my father for his great labor and accuracy in the detail of preparation.

A. S. D.

PETERSHAM, MASSACHUSETTS.

August, 23, 1913.

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